Remarks/Arguments

Claims 1-4 are pending in the application. Claims 1-4 stand rejected by the Examiner. Applicants have amended the claims to remove parenthetical references.

The present invention includes a number of new and useful features, such as (but not limited to) a select code feature that overcomes data collision problems in previously known technologies. Data collision occurs when multiple data media or smart cards simultaneously attempt to communicate with a base station. Minimizing or preventing data collision can be accomplished in a number of ways. In the present invention, a select code is appended to the data signals transmitted by a base station solely for a selected data medium or smart card.

The select code marks whether the command emitted with a data signal by the base station is intended for a selected data medium or also for all other, non-selected data media. See, e.g., specification page 4, lines 19-30. For example, a select code of a particular value can identify a data signal as intended only for a particular data medium, while a select code of another value can identify a data signal as intended for all data media within transmission range of the base station. See, e.g., specification page 3, lines 17-21. This select code can be encrypted or non-encrypted, regardless of whether the data signal itself is encrypted, and can be only a single bit in length (which may be termed the "select code bit"). See, e.g., specification page 3, lines 12-18.

Claim Rejections Under 35 USC § 102(e)

Claims 1, 3, and 4 stand rejected under 35 USC 102(e) allegedly for being anticipated by Gerszki et al. (US 6,354,500), referred to as "Gerszki." This rejection is traversed and should be withdrawn because Gerszki fails to teach all elements of the rejected claims. MPEP § 2131. Gerszki's logical "1" creates the initial pool of smart cards in the selection process determining which individual smart card will first respond to the reader, but the logical "1" itself is

not involved in the actual selection process. Thus, Gerosklci cannot anticipate claims 1, 3, and 4 because it fails to teach the SELECT code. MPEP § 2131. See also *Lindermann Maschinenfabrik GmbH v. American Hoist & Derrick Co.*, 730 F.2d 1452, 221 USPQ 481, 485 (Fed. Cir. 1984) (citing *Connell v. Sears Roebuck & Co.*, 722 F.2d 1542, 220 USPQ 193 (Fed. Cir. 1983)).

Gerosklci teaches a temporal-based system of exchanging information among a reader and a plurality of smart cards. See, e.g., column 1, line 85 to column 2, line 3. The Gerosklci system uses a multi-step process for exchanging data among the reader and smart cards.

The centerpiece of the Gerosklci process is a polling protocol used to distinguish the identity of present and functioning smart cards. See, e.g., column 3, lines 32-43. In this polling protocol, the available and awake smart cards transmit their identities to the reader along with a randomized time slot. Ibid. The reader registers the identities and time slots of the cards, then proceeds to dialogue "with each responding card on an individual basis, while other cards wait their turn (sic) by returning to the wait state ready to wake up to a warm start." Column 3, lines 44-48. Thus, the Gerosklci system depends on a temporally-based method for avoiding data collisions among a reader and a plurality of temporally ordered (i.e., polled) smart cards. Only one smart card at a time is in a "wake" state and capable of communicating with the reader, while the remainder of the cards are in a "wait state" incapable of communicating with the reader. In fact, Gerosklci specifically states that "the MCU [of the smart card] does not establish a data link back to the reader unless it is woken up from its wait state by the special start up message." Column 2, lines 58-60. Thus, a smart card that does not "awake" never enters into the polling protocol, never obtains an ordered slot among the "roll call" of polled smart cards, and is never even capable of dialoguing with the base station.

The "wake up" (or "start up") message is a logical "1" in the 9th bit position of the data stream from the reader received by the smart card; if this 9th bit position does not contain a

logical "1", then the smart card remains in the wait mode. Column 2, lines 51-58. This wake up message can initiate either a "cold" start up or "warm" start up among the smart cards. Column 2, line 64 to column 3, line 15.

The Examiner asserts that the Gercekci "wake up" message (the logical "1" in the 9th bit position of the data stream from the reader received by the smart card) teaches Applicants' SELECT code. Office Action, page 4 (citing column 2, lines 50-60 of Gercekci, the Office Action states "the select code is the logical '1'"). However, the Gercekci "wake up" message is completely different from Applicants' SELECT code. The Gercekci "wake up" message does not determine whether one smart card or another will respond to the reader; it only sets the stage for that determination through the polling protocol and eventual roll call of the smart cards established through a randomized order initiated by the smart cards themselves. See, e.g., column 3, lines 24-43. If a smart card is not "woken up" by the logical "1" ("wake up" message), then that card never has a chance to communicate with the reader because it cannot enter the pool of "awake" smart cards available for the polling protocol or then be entered on the "roll call" of awake and available smart cards.

Contrary to Gercekci, the SELECT code of Applicants' system does in fact determine which of the available data media (a.k.a. transponders) will dialogue with the base station. There is no polling protocol or "roll call" established in Applicants' system—the SELECT code itself determines whether a particular data media will respond to a signal emitted by the base station. See, e.g., specification page 4, line 18 to page 5, line 6. Thus, while the logical "1" of Gercekci can stimulate <u>all</u> available smart cards into "awake" states where they are all <u>capable</u> of responding to the reader, the SELECT code of Applicants' invention determines which smart card among all those available <u>actually</u> will respond to the base station's signal.

Claim 1 is patentable over Gercekci because Gercekci fails to teach all the limitations of claim 1. Claims 3 and 4 depend from claim 1 and are patentable for the same reasons, as well as for the novel combination of features recited therein.

Claim Rejections Under 35 USC § 103(a)

Claim 2 is rejected under 35 USC 103(a) as allegedly being unpatentable over Gercekci et al. (US 6,354,500) in view of Thomlinson et al. (US 6,532,542). Claim 2 depends from claim 1. As stated above, Gercekci fails to teach all the elements of claim 1 because Gercekci fails to teach or suggest the SELECT code of claim 1. Thomlinson et al. also fails to teach or suggest the SELECT code. A *prima facie* case that claim 2 is obvious cannot be made because not all of the elements of claim 2 are taught or suggested by Gercekci and Thomlinson. MPEP § 2143.

Furthermore, the Office action fails to state a suggestion or motivation to combine and modify Gercekci and Thomlinson. The Office action states only that "Gercekci and Thomlinson ... both teach a system comprising smart cards" as the basis for arguing that one of ordinary skill in the art would have combined the two references. However, the level of skill in the art alone cannot be relied upon to provide the suggestion to combine references. MPEP § 2143.01 (citing *Al-Site Corp. v. VSI Int'l Inc.*, 174 F.3d 1308, 50 U.S.P.Q.2d 1161 (Fed. Cir. 1999)). "The mere fact that references can be combined or modified does not render the resultant combination obvious *unless the prior art also suggests the desirability of the combination.* MPEP § 2143.01 (citing *In re Mills*, 916 F.2d. 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990))(emphasis added). The Office action fails to cite any teaching or suggestion in either Gercekci or Thomlinson for combining the two references, and a *prima facie* case of obviousness cannot be established without some teaching or suggestion in the references.

Therefore, claim 2 is patentable for the same reasons recited for claim 1 and for the novel combination of features stated therein. The rejection is traversed and should be withdrawn.

CONCLUSION

Applicants have presented reasons for distinguishing over the cited references, but Applicants have not raised other possible grounds for traversing the rejections. Therefore, nothing herein should be deemed as acquiescence in any rejection or waiver of arguments not expressed herein.

Applicants submit that in view of the foregoing remarks and/or amendments, the application is in condition for allowance, and favorable action is respectfully requested. The Commissioner is hereby authorized to charge any fees, including extension fees, that may be required, or credit any overpayments, to Deposit Account No. 50-1001.

Respectfully submitted,

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